

REMARKS/ARGUMENTS

Applicants have received the Office action dated September 22, 2004, in which the Examiner: 1) rejected claims 1-18 under 35 U.S.C. 103(a) as being "unpatentable over Cortes et al. (U.S. Pat. No. 6,480,844) in view of Applicants' own admissions."

Applicants respectfully traverse the rejection of claims 1-18. In page 3 of the Office action a list of items that the Cortes et al. reference supposedly discloses are listed. After reviewing the Cortes et al. reference in its entirety, Applicants' representative fails to find any teaching or suggestion for any of the listed limitations. For example, the first item listed mentions that Cortes discloses "storing customer profile information corresponding to a plurality of on-line shoppers." The Cortes reference is directed to telephone communications and not on-line internet shopping as are the claims currently in prosecution. More specifically, the Cortes reference is concerned with modeling telephone usage in order to determine if a telephone number is from a business or a residence (see col. 6, lines 17-32, where the "bizocity" modeling is discussed. Cortes simply fails to provide any teaching or suggestion for on-line shopping as claimed in the present invention.

In the last paragraph of page 3 of the Office action it is stated that "Cortes does not specifically disclose that the database files are specifically for online shoppers, that their habits are logged, or that the database contains product information and incentives," Applicants agree.

Applicants do not agree that the background of Applicants' application discloses the limitations that the habits of on-line shoppers are logged or that the database contains product information and incentives. In page 2, of the present application, Applicants simply state that "In theory (emphasis added) the model would reliably predict..." This clearly is not an admission that this model is known in the art as stated in the Office action. As a matter of fact, the last sentence of page 2 states that a need exists for a model for forecasting on-line shopping behavior.

With specific regard to claims 1-9, independent claim 1 recites the claim limitation of "constructing a model which simulates shopping behavior as a function of the customer profile information, customer log information, product information, and promotion attributes." Assuming *arguendo* that the Cortes reference could be combined with the admissions supposedly made by Applicants in the background section, they would fail to teach or suggest this claim limitation. There is simply no discussion in either reference of simulating shopping behavior as a function of the customer profile information, customer log information, product information and promotion attributes. Nor do the references taken in combination teach or suggest, the claim limitation of "generating a percentage chance that the customer purchases a particular item based on the model." There is simply no discussion of this limitation in Cortes or the supposedly admitted prior art. Given this, it is believed that claims 1-9 are in condition for allowance.

It should be noted that the dependent claims 2-9 add further non-obvious claim limitations not addressed by the references. For example, claim 5 which claims a logistic regression model is simply not taught by the cited reference. It is mentioned on page 4 of the Office action to look at col. 7, line 67 of the Cortes reference for a teaching of this type of model. In col. 7, line 67, Cortes is discussing an exponential weighting not a logistic regression model (see lines 65-66 of Col. 7) as claimed by Applicants in claim 5.

Claims 10-18 are believed to be in condition for allowance given the same reasons made above for claims 1-9. Claim 1 has been amended to add a missing semicolon. New formal drawings are enclosed which are to replace the originally submitted drawings.

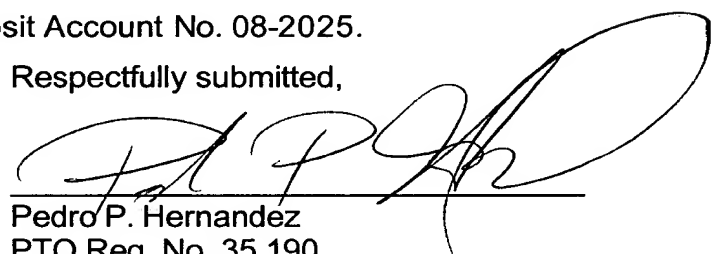
In the course of the foregoing discussions, Applicants may have at times referred to claim limitations in shorthand fashion, or may have focused on a particular claim element. This discussion should not be interpreted to mean that the other limitations can be ignored or dismissed. The claims must be viewed as a whole, and each limitation of the claims must be considered when determining the patentability of the claims. Moreover, it should be understood that there may

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be other distinctions between the claims and the cited art which have yet to be raised, but which may be raised in the future.

Applicants respectfully request reconsideration and that a timely Notice of Allowance be issued in this case. It is believed that no extensions of time or fees are required, beyond those that may otherwise be provided for in documents accompanying this paper. However, in the event that additional extensions of time are necessary to allow consideration of this paper, such extensions are hereby petitioned under 37 C.F.R. § 1.136(a), and any fees required (including fees for net addition of claims) are hereby authorized to be charged to Hewlett-Packard Development Company's Deposit Account No. 08-2025.

Respectfully submitted,



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